This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS KUWAIT 001214

SIPDIS

STATE FOR NEA/ARP AND EB STATE PASS USTR FOR JBUNTIN USDOC FOR 4520/ITA/MAC/ONE/DGUGLIELMI

E.O. 12958: N/A

TAGS: <u>ECIN ETRD ECON KU GCC</u>
SUBJECT: NATIONAL ASSEMBLY RATIFIES CUSTOMS LAW

REF: A. KUWAIT 673 **1**B. 02 KUWAIT 5543

11. During its April 1, 2003 session, Kuwait's National Assembly ratified and referred to the Council of Ministers a draft unified customs law for Gulf Cooperation Council (GCC) states. Kuwait remains the lone member of the six-nation GCC yet to formally agree on the legal side of the GCC Customs Union, which was officially launched January 1, 2003 (ref A). Kuwait's Amir agreed to the law in principle last year, enabling Kuwait to join the Customs Union (ref B). The draft law was scheduled to be passed nearly a year ago, but stalled in the National Assembly waiting approval. Under the new law, all goods entering Kuwait will be subject to a 5 percent customs tax, which is the same percentage in each of the other GCC member states.

12. Kuwait's Constitution stipulates that the Amir has 30 days to sign the draft into law. From the National Assembly, the proposal will be forwarded to the Council of Ministers, who will then prepare a decree, which, under Article 65 of Kuwait's Constitution, the Amir must sign into law within 30 days submission from the National Assembly.